

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 186

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Increases amount of monthly child support passed through to families participating in temporary assistance for needy families program.

Government Unit(s) Affected:

Counties, Department of Human Services, Department of Justice, District Attorneys, Judicial Department

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

The measure increases the amount of monthly child support payments that are disbursed through the Temporary Assistance for Needy Families (TANF) to include all child support payments collected during the month. Under current law, child support payments collected by the Department of Justice (DOJ) Division of Child Support (DCS) are limited to \$50 for each child or \$200 per family each month; also known as pass-through payments. Pass-through payments under current law are retained by the state and the federal government as recoupment of public assistance. The State's portion is retained as Other Funds and used to fund the administration duties of the child support program within DCS.

In addition, the measure exempts any child support payments received as income for TANF eligibility. The measure is effective on the 91st first after sine die and applies to child support payments that are collected on or after the effective date of the measure.

The Department of Human Services (DHS) estimates the total fiscal impact of the measure to be \$11 million and 31 positions (23.25 FTE) for the 2023-25 biennium and \$18.5 million and 31 positions (31.00 FTE) for the 2025-27 biennium. The total impact for the 2023-25 biennium includes \$8.9 million General Fund and \$2.1 million Federal Funds. The total impact for the 2025-27 biennium includes \$15.8 million General Fund and \$2.7 million Federal Funds. DHS anticipates there will be a significant increase to TANF cases which would require additional staff to work with families receiving TANF monies. DHS reports additional staff are identified using the fall 2022 forecast and workload model which includes fourteen Case Managers, two Human Services Supervisor 2, one Program Analyst 1, one Social Services Specialist 2, three Human Services Specialists 3, one Human Services Specialist 4, one Human Services Specialist 1, one Training and Development Specialist 2, six Office Specialists 2, and one Administrative Specialist 2.

The fiscal impact for DOJ is indeterminate at this time. The agency reports that the DCS division will have to modify the administrative rule, update processing forms, provide training, and update necessary software. DOJ also reports there will be a reduction in Other Funds revenue that the agency receives from DHS which is transferred to the federal government. The agency reports if this measure becomes law, DOJ will need additional General Fund and expenditure limitation to expend the payments for the federal share and to modify the DSC budget.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State's General Fund.